

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COLUMBIA GAS OF)	
KENTUCKY, INC. FOR APPROVAL OF)	
GAS PURCHASES UNDER A SPECIAL)	CASE NO. 9038
EMERGENCY ASSISTANCE PROGRAM)	

O R D E R

On April 16, 1984, Columbia Gas of Kentucky, Inc. ("Columbia") filed with this Commission an application for approval of a special natural gas purchase from Citizens Energy Corporation ("Citizens") for use in a Special Emergency Assistance Program ("Program"). On June 28, 1984, the Commission issued its Order approving gas purchases under the Program. On October 30, 1987, Columbia filed an application to continue the Program through the winter of 1987 under contractual terms and conditions approved by Columbia and Citizens on October 27, 1987. On January 19, 1988, the Commission issued its Order approving the gas purchases through the 1987 winter season under the 1987 contract.

In each subsequent year, Columbia has filed for and received approval to extend the Program through another Program year under contractual terms and conditions previously approved by the Commission.

On October 6, 1992, Columbia filed an application to continue the Program through the winter of 1992-1993 under contractual terms and conditions identical to those previously approved by the Commission.

After reviewing the application and the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. According to the Program final report for the Program year 1991-92 provided by Columbia in its application of October 6, 1992, the Program had a negative fund balance starting in May 1991 due to an over-distribution of funds available by "Wintercare," the service provider. On February 27, 1992, Citizens agreed to disburse funds for the 1991-1992 Program year provided that a new account be used to receive the funds pending resolution of the fund imbalance. Columbia's summary indicates that this has been done, with payments made from the new account in the amount of \$31,893 during the months of March and April 1992. As of May 1992, \$48,290 remained in the fund to be distributed. Columbia states that Wintercare has requested an internal audit to expedite the fund balance issue. Columbia should file with this Commission a copy of that audit report as soon as it becomes available.

In order to continue assistance to these needy households, the Program should be extended through the next Program year with the associated gas costs recovered through the purchased gas adjustment mechanism.

2. As part of its next Program year summary, Columbia should file with this Commission information in sufficient detail to track the disposition of Columbia's contributions to the Program for the 1991-1992 and 1992-1993 Program years.

IT IS THEREFORE ORDERED that:

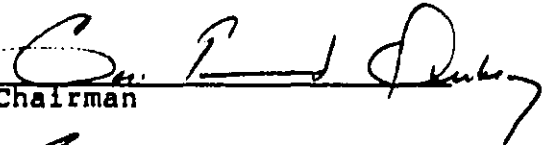
1. Since the Program has assisted low-income households in paying utility bills, the Program shall be and it hereby is extended through the 1992-1993 Program year.

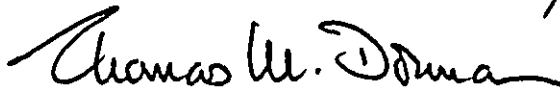
2. Columbia shall file a copy of the Wintercare audit report as soon as it becomes available.

3. With its next Program summary, Columbia shall include information concerning the 1991-1992 and 1992-1993 Program years as directed herein.

Done at Frankfort, Kentucky, this 24th day of November, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director